G R S IX 5]

Previous references

Preserve for 4/7/17

File No 48-16

Serial Nos 4, 5

1917.

(Jul)

Later references

Jul 42 1685 7-10 B Jan 18

Jul 32-17 86 136-141

GENERAL AND REVENUE SECRETARIAT.

Serial Nos 4, 5-D

Part B for Aug 17

SUBJECT

Recovery from messrs C Ramaiyya & Nijagal Subba Rao amounts received from purchasers of sites in Sankaraparam Extension

No 1004-05 B/20 8 17 Letter P B Jul Ch

Sanctioned

Srinivasa Rao

5-9-17

G R. S 11] 1916-17

GENERAL AND REVENUE SECRETARIAT

(Ml)

NOTES

File No 48-46

FILE HEADING

Irregularities in accounting Monies of the Municipalities

From

The President, Muni Council, Bangalore city

No. 293 Dated 5/9 Feb 1917 Received 13 Feb 1917

Diary No. 2481	Enclos 4 Spare Copies	Serial No 4

BRIEF ABSTRACT OF LETTER

Solicits orders for recovery from Messrs Chamaiya & Nejigal Subbarao amounts received from purchasers of sites in Sankarapuram Extension, shewn in the accounts but not shewn to have been credited or accounted for & for taking coercive measures in the case of those purchasers who have neither produced receipts nor have any payments shewn in the accounts

NOTES AND ORDERS

223-14 & 1-15
Bs Aug 1916
H

Ml 80-09 & 9-33
Bs Jan 1911
Fle & I

Action under 5 days taken

Reference is invited to the marginally noted collections regarding the defective system of the accounts of this Municipality for the period in question. The system of preservation of the records also was not regulated by

Norms—First Sheet

WD 1288—GPB—60 000—1 12-16—S

Serial No

any prescribed procedure & consequently was in a state of confusion

Genl III to P W D

2 In this case liability is brought home to Messrs Chamaiya & Nyapal Subbarao on the ground that the receipts issued to the parties are in their handwriting & signed by the Vice Presidents for the time being, viz Messrs M Y Krishnasamirao, N Subbarao & B S Rangarao & that corresponding credit entries as to the amounts having been brought on the Mel accounts are not forthcoming - This liability is not however arrived at after considering the explanations of all the above officers named

Board of R D

3 In fact the explanation of Mr C Ramiah was called for but was considered unnecessary as the registers which he wanted were not forthcoming & were suspected to be in his possession & the conclusions were irrefutable

3. The investigation was entrusted to a committee of 4 Mund Councillors, one of whom is a retd Asst Commr, two are lawyers & one is a merchant & Bench Magistrate

WD 1283—GPB—60 000—1 12-16—S

2481

G R S III 2]

General and Revenue Secretariat | Mund File No 48 of 1916

Serial No

The decision of this committee was after considerable discussion adopted by the Mund Council, 8 members being in favour & 5 not voting

4 The points for orders are -

1) whether Govt can order recovery of Rs 125-8-0 & 245-6-8 from Messrs Nyagal Subbarao & Chamaya respectively, who are not now in services of either Govt or Municipality

2) whether Govt can accord sanction to the Municipality now taking concrete steps re recovery of reduced sum from the sale purchasers of values thereof the payment of which cannot be traced out in the Mund Accounts nor supported by receipts.

1) Is this a general request in respect of all purchasers in arrears, or does it relate to specified persons who have been demanded, but have pleaded payment? hm

2) Why has this been delayed for over two months. hm

AGM 24/4/17

(sanction under 5 day rule was taken)

14/27/4-5 Mr Aiyangar or it may be consulted

MK 2/5/17

6 Rev Secy)

7. Please see enquiry on margin of (1)

hm 7/5

MK

NOTE—Contn sheet

WD 1288—GPB—60 000—1 12-16—S

2181

G R. S III-2]

General and Revenue Secretariat | Rel File No 48 of 1916

Serial No

8 With reference to the Revenue Secretary's 18th query on the margin of para 4(2) Supra it is respectfully submitted that the request is a General one so far as the Shankarpur Extension is concerned

9/2

10-5-17 9. Kind attention is invited to para 8 of the President's letter Concern processes are suggested in the case of those who have neither produced receipts nor against whom any credit has been shown in the Extension accounts In this view it has to be taken as a general request and Branch III will have to be consulted.

It is ascertained that allotment of sites in Shankarpur was made by a Special Committee and not by the Colony

MK 22/6

Subd /

10- A draft letter as personally instructed by the Rev Secy today is put up

MM BLM 16/7/17 Rwsec)

MK 7/7

As a result of the audit of the Shankarpur Extension

h L-O

NOTE—Contn sheet

D 1283—GPB—60 000—1 12-16—S.

Serial No

16. The accounts of the Shankarpur Extension Site values having been observed to be in a state of great confusion, the ~~[illegible]~~ President appointed a committee of the Ml-Councillors to audit the accounts. The report submitted by the Committee was considered and accepted in entirety by the Ml Council. In accordance with the said report and the resolution, the President now recommends

(1) that certain amounts may be ordered to be recovered from the late Mr. Accts Ramiah and SubbaRao, as they (the amts) are shown in the accts as received from the parties, but have not been credited to the Treasury or accounted for. Rs 245-6-8 is proposed to be recovered from Mr. Ramiah and Rs 125-8-0 from SubbaRao.

(2) that coercive processes may be ordered to be adopted in the case of those purchasers of sites who have not produced receipts for payment, and in respect of whom also no payments are

NOTE—Contn sheet

D 1283—GPB—60 000—1 12-16—S.

Serial No

in the Extension Accounts

12- With regard to (1), the amounts may be ordered to be recovered from any monies due to the retired Accountants, or their pensions

13- As regards (2), no information has been given as to the number of persons or the total amount concerned, in the present letter

14. It is said that another letter received from the Presdt seeking for orders to file suits agst certain persons for the recovery of Rent values, has been referred from Br III to the Govt Advocate for opinion It will be convenient to consider both the files together

15 The report in this file is pending from February last, and while this is so, it is not clear why the Mil Branch referred the subsequent letter, said to have been recd in May, to Br III (Judl), who in turn has ~~now~~ sent the file to the Govt Advocate

16 The return of the said file will, if called, be made

NOTE—Contn. sheet

D 1283—GPB—60 000—1 12-16—S.

G R S III-2]

General and Revenue Secretariat | Mil File No 48 of 1916

Serial No

and both the cases submitted for orders

17. There has been much delay in dealing with these cases in the Office and the matter will be separately inquired into

2nd December) 20/ 23-7-17

Bz 21/7/17 M

18 This change that with the Supply now the Accounts can check this Delay. Future instances will be reported

19 Islam Khan Lahore a Complete list pending refund in the branch — over 3 months drafts Recoup proposal is submitted

Submit Embezzlement, A list will be prepared and submitted soon MM

4 4/7

20 Resubmit with the other file referred to in recent return per Govt Advocate

Bz 24/7/17

21- Resubmitted with Mil 209-16 & 1. M

With reference to para 12 ~~the question of ordering recovery of amount from Mr Chaudhri~~, it is to be noted

HCM 31/7/17

NOTE—Contin sheet.

2461 WD 1288—GPB—60 000—1 12-16—S.

G R. S III-2]

General and Revenue Secretariat | Ml File No 48 of 1916

Serial No.

that on the complaint of Mr Ramiah that certain amounts have been realised recently recovered from his insurance claim, Respondent has been asked to furnish details of such re If it should turn out that the recovery includes Rs 245-6-8 due from Mr Ramiah, what is req is only a ratification of the Respondent's action

22- Then as regards Mr N Subbadoo information is not forthcoming as to whether he owns any property or pension is drawing any

HOM BBS 31/7/17

23 Please put up a draft order sanctioning the first proposal as noted at para and as regards the second calling for a detailed statement showing the names of persons, the amounts due and their answers to the made These particulars to be necessary to give definite orders on the point

4 Sdps

BZ 6 8 17 MK 6/17

Sub

24 A draft G O is put up

HOM BBS 4/8/17 MK 9 8 17

Proceed for approval of the orders

Notes—Contn. sheet.

* Put up for draft

484 15-8-17 2

6 6 Hebb BZ 14 8 17 + / Laurie Yes

WD 1223—GPB—60 000—1 12-16—S.

ue | Mil File No 48 of 1916

Serial No

Issue

167/17

5 | To the Presdt, B. C. Ind Council & Comptr, No 11.4-5 of 22-8-17 — Accd Cuttn to the records of the Ind Council & recovy from Messrs C. Ramayya & K. Subba Rao, & deduction from any monies or pension payable to them, the amounts of Rs 245-4-9 & Rs 125-8-0 respectively, traced to them, & request the Presdt to furnish the detailed statement showing the names of the purchasers of cots &c. the items sold and receipts registered where names no payments are shown, the amounts due from them & their answer, if any, to the demand made.

H No 548=17 | Draft and form, Communicating and submd for orders

21/9

15

Communicated in Hy No. 416 dated 22-8-1917

Nil 22/8/17

NOTE—Contn ntext

D2481

No

OFFICE OF THE PRESIDENT, MUNICIPAL COUNCIL,

Bangalore City, dated 5th February 1917

Enclo

Mi. 4876-4

From

DEWAN BAHADUR RAJA SABHA BHUSHANA
K P PUTTANNA CHETTY, ESQ,
Honorary President, Municipal Council,
Bangalore City

To

The Secretary to the Government of
His Highness the Maharaja of Mysore,
General & Revenue Departments, Bangalore

Sub-Committees report dated 19th May 1916
Vice Presidents Memo dated 7th September 1916.
Sub-Committees report dated 16th September 1916

SIR,

In submitting herewith for the information and orders of Government the marginally noted records I have the honor to state that the accounts of the Shankarpur Extension site values were in a state of the greatest confusion No attention had apparently been paid to the subject for several years The Demand Register had not been written up-to-date and the adjustments intimated by the Comptroller had not been brought on the Register According to this Register, during January and February 1916 large amounts were still due from 42 persons and notices were issued to all of them demanding payment, on which a few receipts were presented at the Office to justify my suspicion that in some instances monies had been received but had not been brought on the account

2 The Vice President's time having been just then fully taken up with numerous other questions - notably a series of 72 cases of suspected defalcation against the late Head Accountant

1916-17

From The Honorary Resident Municipal Council Bangalore city

H 60

17

To The Secretary to the Government of Mysore Revenue Depart

Dated 5th } February 1917
Despatched 9th }

Received

General No 293
No

Enclosure No three + one

Submitting a report on the Sub Committee's audit of the Shankarapura Extension accounts

GPB—50,000—26 9-12

Accountant C Ramayya, I appointed a Committee consisting of the marginally noted Municipal Councillors to fully audit the Shankarpur Extension accounts

Messrs.
1. Venkataramaiengar
2. Murappa
3. Usman Khan
4. C.V. Narasimhiengar

3 The work of this Committee was exceedingly difficult the books, accounts &c connected with the subject being in a medley of confusion, some being unearthed from cartloads of papers thrown about indescriminately in the old slaughter house and in the Collector's Office The marginally noted records, however, were recovered and the work of auditing proceeded with A large quantity of papers bearing on the Shankarpur Extension accounts were sorted out and placed under the personal custody of the Vice President

* 1 Cash Books
2. Receipt books
3 Remittance registers of Shankarpur Extension
4 Deposit and repayment registers

4. The Committee's first report (flag 1) dated 18th May 1916 was incomplete and the Committee were, as suggested in the Vice President's memo (flag 2) dated 7th September 1916 requested to thresh out the question in detail and submit a definite opinion with regard to each item of irregularity

5 Meanwhile the Vice President continued to issue reminders to the alleged defaulters, which resulted altogether in 9 receipts being forthcoming with the parties It might also be noted that while in 5 cases receipts were furnished and in 8 cases, the balance due is acknowledged, in 16 instances no reply is forthcoming, so that it is impossible to say to what extent receipts were issued for payments not brought on the account

6 The final report (flag 3) dated 16th September 1916 from the gentlemen of the Sub-Committee is exhaustive and does not need any explanation In addition to the defalcations pertaining to the Shankarpur Extension site values, the Sub-Committee also deals with an item of site value in

Mallegowaram

Malleswaram Extension, where the money received has not been brought on the account. It is useless now to expatiate on the carelessness of the Municipal Officers during the period, which rendered it possible for defalcations to be systematically indulged in for a number of years The system whereby an inadequate, inefficient and corrupt staff threw the brunt of work on the Vice Presidents and the ~~proper~~ want of a separation of the Accounts from the Cash Branches doubtless were to some extent responsible, for inefficiency and irregularity on the large scale

7 The question was placed before the Municipal Council and engaged their anxious consideration during ~~his~~ meetings and a copy of their resolution dated 6-1-1917 is herewith submitted The Municipal Council accepted in its entirety the final report as approved by three of the members of the Committee, drawn up after exhaustive enquiry and patient investigation under trying circumstances over a long period The only member who dissented, was not satisfied with the finding of the majority of the members of the Committee, as Mr C Ramayya's explanation was not available As pointed out in the Vice President's memorandum, Mr C Ramayya professed his inability to furnish any explanation in the absence of certain records which are not forthcoming These however were believed to have been in his custody and it is difficult to conceive what explanation he could offer under the irrefutable circumstances pointed out by the Committee

8 The original records are retained in this Office and will be submitted if called for I request that Government may be pleased to pass orders for the recovery of the amount from the persons concerned and towards taking suitable coercive processes in the case of those who have neither produced accounts nor had any payment ~~been~~ shewn in the Extension accounts

accounts to their credit

I have the honor to be,

Sir,

Your most obedient servant,

Honorary President

C.R G

Encl 1 to Ins 48-16-4

Auditing Councillors Report on the accounts of the value of sites of Shankarpur

--- oOo ---

1 In accordance with the Cash Book ("Receipt Book") of the ne extension Vol. I, the receipts for the 6th June 1908, amounted to Rs 449/- But the chellan No 1, dated 6th idem, which is not receipted by the Shroff, shows that only Rs. 264/- were remitted to the Treasury, leaving a balance of Rs 185/- on hand The receipts for the 8th amounted to Rs 125/- Therefore the aggregate sum to be remitted to the Treasury on the 8th was Rs 310/- But the chellan No 1 dated 8-6-1908 shows Rs 330/- as having been remitted to the Treasury It cannot be ascertained from whom and when the excess of Rs 20/- was recovered.

2 The receipts for the 9th amounted to Rs 354-8-0 and for the 11th to Rs 134/- aggregating Rs 488-8-0 But chellan No 1, dated 11-6-1908 shows a remittance of Rs. 204-8-0 and chellan No 2, dated 12-6-1908, which is not signed by the Vice President and not receipted by the Shroff, shows that of Rs 214/- making a total of Rs 418-8-0 Therefore, there was a clear balance of Rs 70/- not remitted to the Treasury

3 A sum of Rs 50/- is credited in the Collector's and Shroff's Cash Book on 3-8-1908 But the said "Receipt Book" does not show this amount. The Cash Books simply show that the amount was received from the Head Office The Deposit Register shows a credit of Rs 50/- on 3-8-1908 The site Register shows Rs 50/- as having been received from P Venkata Subbiah in August 1908 for site No 99 Probably this is the amount shown in the said Cash Books.

4 The Deposit Register and the daily cash account of the Account Department show Rs 363-12-0 on 3-12-1908 as receipts under the head "Value of sites in the New Extension" but the receipts book of the new extension shows only Rs 161-12-0 The ledger and

and Shroff's and Collector's Cash Books also show Rs.181-12-0 as the value of sites in the new extension and Rs 202/- as that of the sites in Malleswaram. Therefore the entries in the Deposit Register and the daily cash account of the Account Department are evidently wrong.

5 The entry No. 277 in the Deposit Register as well as the Ledger shows a credit of Rs 18-8-0 as the value of new extension on 13-5-1909, but it cannot be ascertained from whom it was received, as it is not shown in the Receipts' Book of the New Extension

6 Rs 98/- are credited in the Cash Books and Ledger on 8-3-1910, but the said "Receipts' Register" of the new extension shows only Rs. 35-14-0 as having been remitted to the Treasury.

7 Rs 25/- are similarly credited on 11-3-1910, but this amount is not shown in the said "Receipts' Register"

8 The Cash Book shows a credit of Rs 52/- received on 12-3-1910 from Mr Sajjana Rao for sites Nos 64/1 and 159 as per receipt No. 975, dated 12-3-1910, but this is not shown in the said "Receipts' Book" The Shroff's Cash Book however shows that the amount has been remitted to the Treasury.

9 The following sums of money have not been credited and remitted to the Treasury -

From whom received	For what sites	Amount	No and date of receipts
[illegible] urappa	67/1	23-8-0	966 7-3-1910
[illegible] Lingureddy	66 & 157	56-4-0	967 -do-
[illegible] Narasimhiah	130	17-4-0	968 -do-
[illegible] urappa	67/1	24-0-0	1239 11-1-1911
-do-	"	24-0-0	1 '61 25-[illegible]-1911
-do-	"	24-0-0	1200 14-11-1911
[illegible] rikantiah	14	12-8-0	1210 4-11-1910
[illegible] ranlet [illegible]f	37	10-0-0	610 3-8-1909
Gurappa	67/1	24-0-0	1285 30-8-1911
	total	223-8-0	

10 Rs. 18-12-0 received from Mr. B Ramaswamiah on 15-11-1909, as per receipt No 774, dated 15-11-1909 are shown in the Cash Book, but this amount is not shown in the said "Receipts' Register" of the new extension. The Shroff's Cash Book however shows that the amount has been remitted to the Treasury

Sd/- S. Venkataranglengar
" N. Surappa,
" B. Usman Khan
' C.V Narasimhlengar.

Cashier
6-2-17

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* C O P Y *

For Hon President

C R G

Enclosure 2 to Govt 48-46-4

e m o

submitted -

The accounts of the Shankarpur Extension site values were in a state of great confusion No attention had been paid to the subject for several years The Demand register had not been written up-to-date and the adjustments intimated by the Comptroller had not been brought on the register. During Jan and February 1916 according to this incorrect register large amounts were still due from several persons and the undersigned issued test notices to some of them urging immediate payment The forceful (if not strictly polite) replies received as well as the known circumstance that one site holder - at any rate, owned receipts for moneys not brought to account suggested to me the desirability of recommeding the appointment of a small Committee to audit in detail the accounts of the site values This was all the more necessary as an audit of these accounts had not been made since the sale of sites in the Extension

2 In accordance with the Honorary President's memo of the 3-4-1916 a Committee consisting of the marginally noted gentlemen

1 Mr. S Venkataranga Iyengar
2 " M Surappa
3 " B Usman Khan
4 " C V Narasimha Iyengar

met on about 10 occasions from 10-4-1916 onwards and furnished a report dated 18th May 1916, which is herewith submitted (Flag 1) The work of this Committee was exceedingly difficult considering that the books, accounts &c , connected with the subject were in a medley of confusion, some being unearthed from the cart-loads of papers thrown about indescriminately in the Old Slaughter House and the racks of the Collector's office The main records however (vide margin) were recovered and the work of auditing proceeded Meanwhile, large quantity of papers believed to have a bearing on the Shankarpur Extension accounts were sorted out and placed under my personal custody in my safe fire proof room

1 Cash books
2 Receipt books
3 Remittance registers of Shankarpur Extension
4 Deposit and repayment registers

The Committee's report throws light on the unsatisfactory

unsatisfactory manner in which the Extension Accounts were being handled There are numberous irregularities which may or may not be capable of explanation, but the 9th para, of the report (Flag 2) seems to me to be the most important According to this in 9 instances receipts had been issued for varying sums aggregating Rs 223-8-0 and these had not been brought on the account nor credited to Municipal funds

4 During the course of the Committee's enquiry it seemed to be the practice, at the time, for the Head Accountant to receive these moneys and remit them afterwards to the Municipal Treasury. For, the receipts in almost all instances had been written and initialled by the Head Accountant, while the same official maintained the remittance register of the site values to the Municipal Treasury After receipt of the money, the shroff brought the items on his cash book and remitted the same to the District Treasury It also happened that a considerable proportion of these receipts and also the larger portion of the Remittance Register were in the hand-writing of the late Head Accountant Mr C. Rámaiya Without prejudice therefore to the results of any enquiry that might subsequently be held, - I furnished Mr C Ramaiya with a copy of the report and called upon him, in my memo No 4339 dated 27-6-1916, to explain these obvious irregularities

5 His reply dated 27th June 1916 is herewith submitted (Flag 3) The books he wants for reference seem to have as much to do with the subject as the cattle pound release pass books of the period or cess Registers Any way, a search was instituted and the records needed by him are ascertained to be not forthcoming Mr C. Ramayya definitely professes to be unable to say anything on the subject in the absence of these books.

6 Before the Committee was appointed I brought to the notice of the President that the Demand Register was too incomplete for

me

me to take any action The members of the Committee took considerable troubke and entered in the Ledger not only numerous payments ascertained to have been made at the Municipal office but also credits received at the various Treasuries which had not been shown at all in the Ledger before Having figures of some reliability, therefore, at my disposal, I started communicating with the several persons concerned. In a few instances the arrears are acknowledged by the parties, in others the amount of balance due is disputed, in some cases the parties profess to have completely paid up their dues but have no receipts to produce, and in the following cases receipts have been produced in token of payment having been made but the amount has not been brought into account

	Name	Receipt No & date	Amount.
1	Mr A T Setlur	1, dated 5-7-1913	87- 8- 0
2	" S K Narasimhiah	M O Receipt dated 5-11-1913	42-12- 0
3	" K Surayya	1274, dated April 1911	19- 2- 8

I also expect that when coercive action is taken receipts will perhaps be received in a fair proportion of the remaining cases

7. It is perhaps as well that we worked without any preconceived impression that there is any or some defalcation or that there is none One aspect of the matter which should be carefully considered is that the Committee's report shews (Flag 4) that a total sum of Rs 274-14-8 is said to have been received in excess of the sum due from six individuals The system of interest on over due payments did not exist at the time and it is difficult to believe that by any other method except by warrant and sale of property the Municipality could ever receive more than was their due It is of course not likely that such a circumstance is likely to affect the specific cases before us but it may be that the Treasury credit statements and Ledger, receipt books and remittance register may require further reconciliation

8 From the nature of the subject, the episode cannot be considered closed till the value of the very last site should be recovered or accounted for Meanwhile, however, the irregularities spotted out thus far require careful and patient investigation and the responsibility therefor definitely fixed on the persons concerned It seems to me that nothing better could be done for this purpose than to request a committee to pursue the investigation further and to offer a definite opinion on the subject The members of the Committee that sat last to enquire into the subject are perfectly familiar with the records It however consisted of four members some of whom obviously found it difficult to attend office several hours daily for an indefinite period I would therefore suggest that the number might be reduced and that any two of the marginally noted four gentlemen might be requested to form the investigation Committee

Mr S Venkataranga Iyengar,
" N Surappa
" P Usman Khan
" C V Narasimha Iyengar B A , B L ,

Sd/- R Subba Rao,

Vice President

2-2-46

Compared
6-2-47

* C O P Y *

For Honorary President

C R G

16th September 1916.

Encl 3 to Mem. 48-16-4

From

Messrs S. Venkatrangiengar, N. Surappa, B. Usman Khan and
C.V. Narasimhiengar, Auditing Municipal Councillors,
Bangalore City.

To

The Honorary President, City Municipal Council,
B a n g a l o r e .

Sir,

In reply to your memo No. 955, dated the 8th instant, we have the honor to make our final report on the results of our audit of the accounts of the value of building sites sold in the Shankarpur Extension, and also regarding the sum of Rs. 10-8-0 paid by Mr. Narasimha Char towards the value of the sites Nos. 318 and 319 on the 5th main road of Malleswaram, but not credited and remitted to the Treasury, together with all the records bearing on the subject, as per the accompanying ferist.

2. For the purpose of recording the receipts and remittances of the value of sites in Shankarpur, separate books were opened and maintained from 28th November 1907 to 27th June 1912. The volume I thereof was finished on 13th April 1910, and volume II, was opened on 14th April 1910, but entries were made in it only up to 27th June 1912, and although more than four-fifths of it were available for further entries the-then Head Accountant C. Ramaiya, for no good reason, gave it up, and from 29th July 1912 onwards, he made the entries relating to the sites of Shankarpur also, in a General Remittance Register kept for remitting all miscellaneous sums of money received by the Head Accountant There is no order on record authorising this deviation The whole of the entries in Volume I are in the handwriting of the then Head Accountant Nijigal Subba Rao, and a

correction

correction in the total of the entries for the 6th June 1908, is initialled by C. Ramaiya, who was then the Manager, and who has also made under his own signature, the remittances recorded in volume I on 21-7-1908, 31-10-1908, 19-11-08, 21-11-1908, 1-12-08, 2-12-1908, 10-5-1909, 30-5-1909, 5-8-09, 7-8-09, 9-8-09, 10-8-09, 13-8-09, 14-8-09, 16-8-09 and 19-8-09. There are several instances in which remittances were made under the signature of Nijigal Subba Rao also as Head Accountant. The entries in Vol. II are partly in the hand-writing of Nijigal Subba Rao and partly in that of C. Ramaiya, and some entries which are in the hand-writing of subordinate accountants also, are initialled by C. Ramaiya. The entries in the General Remittance Register are in C. Ramaiya's hand-writing from 29-7-1912 to 2-6-1913, and thereafter they are partly in his own hand-writing and partly in that of any one of his subordinates, but initialled by himself as Head Accountant until he was suspended. The very fact that separate Remittance Registers were maintained by the Head Accountant, and acknowledgments taken from the Shroff for all remittances recorded in them, and that remittances were sent by him to the Shroff with separate chalans, proves that before the appointment of a separate cashier, miscellaneous items such as value of sites, used to be received and remitted by the Head Accountant to the Shroff who used to enter the same in his own cash book and remit to the District Treasury, necessary entries being made in his own separate Remittance Register. Furthermore, it is clear from the Vice President's order dated 28-2-1910, to the Manager C. Ramaiah, recorded in Vol. I of the Register of receipts and remittances relating to Shankarpur, that moneys used to remain with the Head Accountant Nijigal Subba Rao who delayed remittances, and that consequently the Manager C. Ramaiya was warned to exercise strict supervision over his work. The then Shroff Ramanna, Munshi Venkata Rao who kept the site register of Shankarpur, and Manager Krishna Rao who was then the Collector, have stated that the value

of

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of

of sites used to reach the hands of the Head Accountant for entering it in the Register kept by him, for preparing receipts, and for remitting it to the Shroff. The printed receipt books for all miscellaneous items, were in the custody of the Head Accountant before the appointment of the separate Cashier. Therefore it is clear that the Head Accountant used to receive all such moneys, enter them in his own register, prepare and issue receipts to the parties concerned and remit the consolidated receipts for the day to the Shroff Under such circumstances, the plea that the moneys shown in the printed receipts and counterfoils thereof, prepared and initialled by the Head Accountant, did not reach his hands, but that they were paid direct to the Shroff, is untenable. It was the bounden duty and interest of the person who prepared the rpceipts and initialled them, to see that the moneys therein shown, reached the Treasury. The successive Vice Presidents seem to have signed in the usual course, the receipts and counterfoils relying upon the Head Accountant's initial If necessary, Messrs. M. G. Krishnaswami Rao, N. Subba Rao and B S. Ranoji Rao may be officially addressed on the above points.

The receipts in the Register for 6-6-08 and 8-6-08 amounted to Rs 330/- originally, which sum was credited in Cash Books and remitted to the Shroff with Chalan No 1 (Exhibit B) dated 8th June 1908 Subsequently the receipts in the Register have been reduced to Rs 310/- without anybody's initials

3. The several sums of money which have come to our notice as having been received from the purchasers of certain sites, but not credited in the accounts and remitted to the Treasury, are the following -

(1) According to the entries in vol. I of the "Register of receipts and remittances of the value of sites sold in Shankarpur" the receipts for the 9th June 1908, amounted to Rs 354-8-0 and those for the 11th idem, to Rs. 134, aggregating Rs 488-8-0 But chelan No 1, dated 11-6-1908, (Exhibit C.) and the credit in cash accounts show a remittance of only Rs 204-8-0, and chelan No 2 dated 12-6-1908, (Exhibit D) and the credit in cash accounts show a remittance of only Rs 214, making a total of

Rs

Rs. 418-8-0. These remittances are not, for obvious reasons, shown in the above mentioned register and Shroff's acknowledgments taken therefor. The difference between the actual receipts as shown in this register, and credits in cash books, is Rs 70/- which sum is clearly a defalcation. The whole of the entries in vol. I of the register are in Nijigal Subba Rao's handwriting; the entries from 28th November 1907 to 18th February 1908, are initialled by the then Vice President Mr M G. Krishnaswamy Rao, but thereafter and up to 30th June 1908, they are not initialled by him, C Ramaiya has initialled the correction in the total of the entry for 6-6-1908, but both he and Nijigal Subba Rao failed to get the entries from 19th February to 30th June 1908, initialled by the Vice President, and therefore Nijigal Subba Rao is liable for the defalcation of the aforesaid sum of Rs. 70/-. In connection with this point, we have to take into consideration the following items -

	Rs.	A.	P.
Credit on 13-5-1909 for Shankarpur in Cash books without the name of the person from whom it was received ...	18	8	0
Credit in cash books for Shankarpur on 8-3-1910, in excess of receipts shown in the Register, and without the name of the person who paid it. ...	62	2	0
Total	80	10	0

It is probable that the defalcated sum of Rs 70/- is included in these items, as we have noticed in one instance (Vide Ex.(k) referred to in our report dated 18th May 1916), that it was also usual to misappropriate the receipts for temporary periods As the names of the persons from whom the amounts were received are not entered in cash books, it is not possible to come to any definite conclusion on this point.

(2) The amounts shown in the following receipts given to the parties, in proof of their having paid them, are not credited

in

in the accounts and remitted to the Treasury --

	No. & date of receipt.	For what amount.	For What sites.	Names of purchasers	Letter of Exht.
a	966 dated 7-3-10	23 -8- 0	67/1	Mr. N.Surappa	E
b.	1239 " 11- 1-11	24- 0- 0	-do-	-do-	H
c.	1261 " 25-2-11	24- 0- 0	-do-	-do-	I
d.	1285 " 30-8-11	24- 0- 0	-do-	-do-	N
e	1290 " 14-11-11	24- 0- 0	-do-	-do-	J
f.	967 " 7-3-10	56- 4- 0	66 & 157	Dommalur Lingareddy.	F
g.	968 " -do-	17- 4- 0	160	C.K.Narasimiah	G
h	610 " 3-8-09	10- 0- 0	37	K. Narnengar	L
I.	684 " 22-9-09	8- 0- 0	106	Narasinga Rao	M
(j)	1 " 5-7-12	87- 8- 0	61 & 62	A.T. Setlur	O
k)	P M.O.receipt 5-11-13	42-12-0	160	S K.Narasimhiah	Q
l)	1274 Apl 11.	19-2- 8	45	K. Suriah	P
M)	1235 7-1-11	Not yet produced	1	Basavalinga rajaYu.	R
	Total.	₹ 360- 6- 8			

Note. The original receipt should be obtained from Narasinga Rao

Malleswaram.

N)	2734	20-1-10	10- 8- 0	318 & 319	Narasimhachar S

The liabilities and responsibilities of the persons concerned for each and every item shown above, will be stated hereunder -

S h a n k a r p u r.

Items (a), (f), (g), (h), and (i) - These receipts are in the hand-writing of Nijigal Subba Rao and also initialled by him, and they are signed by the then Vice President Mr. N. Subba Rao except the counterfoil of item (i) which bears only the initials of Nijigal Subba Rao The latter is clearly liable for all these items amounting to Rs. 115/-. It is to be regretted that the Vice President signed the receipts without seeing that the amounts

For Honorary President

Note It is passing strange that two Vice Presidents did not notice these discrepancies in the counterfoils, and signed only the receipts.

amounts therein shown, were duly credited in the register

Items (b), (c), (d), (e), (j), (k), & (l) All these receipts are in the handwriting of the late Head Accountant C Ramaiya and initialled by him and they are all signed by the then Vice President Mr N Subba Rao, except those for items (j) and (k) which are signed by the then Vice President Mr Ranoji Rao For item (b), the original receipt No 1239 is granted to Mr N Surappa, but its counterfoil, instead of bearing Mr Surappa's name, contains the name of P R Narasinga Rao of Malleswaram, and then the word "cancelled" is written across it. In the receipt book which contains this, the counterfoils Nos 1212, 1234, 1235, 1236, and 1240 are also missing It is apparent from a communication lately received from Mr Basavalingarajaru that he possesses the original receipt No 1235 This has been called for, and if it is in existence, it is likely to disclose another item of defalcation For items (c) & (d), receipts Nos 1261 & 1285 are granted to Mr N Surappa, but in the counterfoils bearing these Nos and not initialled by the Vice President, there are the names of Mr V. Subramaiah and C Suryanarayana Rao respectively, in the hand-writing of C Ramaiya, for item (e), receipt No 1290 is granted to Mr N Surappa, but its counterfoil which is not in the connected receipt book, has been evidently pulled out and destroyed For item (j), receipt No 1, dated 5-7-1912, is granted to Mr A T. Betlur, but its counterfoil which is not in the connected receipt book, has been similarly destroyed For item (k), the postal money order receipt prepared in the hand-writing of C Ramaiya and initialled by him, and signed by the then Vice President Mr Ranoji Rao, has been produced by Mr S K Narasimhiah For item (l), the original receipt No 1274 is granted to Mr K Suraiya, but its counterfoil which is in the connected receipt book, and which bears the same No. 1274, is quite a blank It is strange that the then Vice President Mr N Subba Rao, who signed the original receipt, did not notice that his signature was not taken for the counterfoil also. The files of the cash receipt books

were

For honorary President

were in the custody of the successive Head Accountants Nijigal Subba Rao and C Ramaiya who had everything to do with them Therefore both of them are responsible for the foul-play discovered in them, and for the embezzlement of the above mentioned items which amount to Rs 245-6-8, C Ramiah is clearly liable

M a l l e s w a r a m

Item (n) For this item, receipt No 2734, dated 20-1-1910 (Exhibit S) is granted to Mr. Narasimhachar It is in the hand-writing of the then Head Accountant Nijigal Subba Rao who has initialled it. It is signed by the then Vice President Mr N Subba Rao The particular receipt book containing the counterfoil of No 2734, is not forthcoming in the office, while the remaining books are found For Malleswaram also, a separate register showing receipts and remittances was opened on 25th July 1904, and vol I thereof was maintained up to 29th June 1912, and from 31st July 1912 Vol II was opened by C Ramaiya, and it continues to be kept separately for this extension in the Account Department The sum of Rs 10-8-0 shown in the aforesaid receipt, is not credited in this register, nor is there anything to show that it was remitted to the Treasury Nijigal Subba Rao has made the entries in the register for January 1910, which bear his initials, so therefore he is responsible for the omission of the said sum of Rs 10-8-0 in the register, and is clearly liable for its embezzlement In the site register of Mallaswaram, the entries relating to sites Nos 318 and 319 of Mr Narasimha Char, shown in the said receipt, are in the hand-writing of C Ramaiya, who has also omitted in it the sum of Rs 10-8-0 in question. In this connection it has to be noted that the cash book shows a credit of Rs 10-8-0 on 3rd February 1910 towards the value of a site in Malleswaram, but as the name of the person from whom it was received, is not given, it [illegible] possible to conclude that it pertains to the said receipt [illegible]

[illegible] to interest [illegible] at in order to prevent de-

defalcation ,

For Honorary President

defalcations, the following procedure may be strictly observed by all Municipal officers who sign receipts or acknowledgments for moneys received -

(1) Before signing receipts or acknowledgments, they should get the moneys duly credited in the Cash book or register of receipts and initial the entries, and then sign the receipts or acknowledgments

(2) They should next see that the moneys are remitted to the Treasury on the day of receipt or the following day, and that the remittance is duly acknowledged in the Remittance Register accompanying it

(3) The serial numbers of the leaves of both the originals and counterfoils in the printed Receipt Books, should be in print

5 The books in which the value of sites received, is entered, are the following -

(1) Volumes I & II of the registers showing the receipts and remittances on account of the value of sites

(2) Remittance Registers of all miscellaneous items received

(3) Deposit and Repayment registers.

(4) Cash books and Ledgers

(5) Shroff's Remittance Registers

(6) Site value Registers

These were all given to the late Head Accountant C Ramaiya for reference to prepare his explarations for the sums of money not credited in the accounts and remitted to the Treasury, as detailed above But he wanted the following for reference -

(a) Miscellaneous Remittance Register prior to 29th July 1912

(b) Demand, Collection and Balance statements of the Shankarpur Extension

(c) Register recording the resolutions of the Shankarpur Extension Committee

The Record-keeper has submitted his report on 10-7-1916 regarding

For Honorary President

Encl 4 to Govt. 48-16-4

Proceedings of an Ordinary General Meeting of the City Municipal Council, Bangalore, held in the Council Chamber, City Municipal office on Saturday the 6th January 1917

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P r e s e n t

1 Dewan Bahadur Rajasabha bhushana K P. Puttanna Chetty Esq , Honorary President

2. R Subta Rao Esq , M.B ., C E ,L.C Sc , Vice President.

- F Fernandes Esq , I R C F & S (Edn) L F F & S (Glas). Health Officer.

1 .V. Narasimha Iyengar Esq , B A , B L ,

5 Father F . Briand

6. S Chinnaswami Chetty Esq.,

7. . Basava Iya Esq , B A , L.L

8. Surapa Esq ,

9 V Ramaswami Chetty Esq., P A.,

10 B Usman Khan Esq ,

11 M Subbaiya Esq , B A.,

12 . Ramaiya Esq ,

13 D. Venkataramaiya Esq., A.

A b s e n t .

1. Rev D A. Rogers.

B Harachandra Mudaliar Esq ,

3 K Varadachar Esq ,

4 D V. Gundappa Esq ,

5. Ramachandra Rao Pinche Esq ,

6 D Adappa Esq ,

7 Siddaveerappa Esq ,

9 M Abbas Khan Esq ,

C. Venkatarama Iyer Esq , B.A.,

10 K Krishna Murthi Rao Esq

11. S Venkatarangu Iyengar Esq

1. Sub Committees' Audit report on the Shankarpur Extention accounts.

After considerable discussion, it was proposed by Mr. B.V. Ramaswamy Chetty and Seconded by Mr M Basava Iya that the Sub Committee's report be adopted. On putting the proposition to the Vote, 8 were for and none against the propopition

Resolution -- Carried.

Sd/- K.P. Puttanna Chetty,
Honorary President

"C o p y"

For Honorary President

B78

G.R S 28]

2
17/8/17

Irregularities in Sankarpuram
Site Value accounts

Ind File No 48-16

Serial No

Diary No of letter replied to 2481

Confl Dated 22-8-1917

Proceedings of the Government of His Highness the Maharaja of Mysore

GENERAL AND REVENUE SECRETARIAT
(IV)

, the 191

READ—

Correspondence ending with letter No 293 & 5th Feb 1917 from the Resident, Mysore Council, Bangalore city, reporting on the investigation of irregularities connected with the site value accounts

Date of issue 22-8-17

Signed by Mr B T Rosanagayya

ORDER THEREON—No.

of Sankarpuram Extension Bangalore City and soliciting sanction to the

(1) recovery of (1) Rs 245-6-8 from Mr Channiah, late Head Accountant,

(2) Rs 125-8-0 from Mr N Subbarao, also late Head

over

SUBJECT

47

—50,000—1 12-17

Accountant

(11) adoption of coercive processes in the case of those purchasers of sites who have not produced receipts, and have no payments are shewn against their names in the extension accounts

order No 1104-5 mll 68-16-5 92D/8/17

Sanction is accorded to the resolution of the Municipal Council to recover, ~~if not already done so~~ from ~~either or both~~, Messrs. Channah & N Subbarao, by deduction from any monies or pension payable to them, the amounts traced to them by the Sub Committee, viz Rs 245-6-8 & Rs 125-8-0, respectively.

2- As regards the 2nd point the Resident is requested to furnish a detailed statement shewing the names of the purchasers, the amounts due from them and their answers, if any, to the demand made.

14/8/17

Rev Secy to Govt 9/8/17

To The Resident, Mysore Municipal Council, Bangalore City
" Comptroller, Mysore
" Bill Clerk
7/8/17